

Final Terms dated 17 January 2013

RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL

Issue of EUR 400,000,000 3.875 per cent. Notes due 2022

Guaranteed by

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

(incorporated with limited liability in Spain)

and

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

(incorporated with limited liability in Spain)

under the

EUR 2,500,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Base Prospectus dated 6 June 2012 and the Prospectus Supplements dated 11 September 2012 and 20 December 2012 which together constitute a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus as so supplemented.

Full information on the Issuer, the Guarantors and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the Prospectus Supplements are available for viewing at www.bourse.lu and during normal business hours at the offices of Deutsche Bank AG, London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

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| 1. | (i) | Issuer: | Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal |
| | (ii) | Guarantors: | Red Eléctrica Corporación, Sociedad Anónima,
Red Eléctrica de España, Sociedad Anónima Unipersonal |
| 2. | (i) | Series Number: | 4 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | EUR |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | EUR 400,000,000 |

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| | (ii) Tranche: | EUR 400,000,000 |
| 5. | Issue Price: | 99.858 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | EUR 100,000 |
| | (ii) Calculation Amount: | EUR 100,000 |
| 7. | (i) Issue Date: | 25 January 2013 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 25 January 2022 |
| 9. | Interest Basis: | 3.875 per cent. Fixed Rate
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (i) Status of the Notes: | Senior |
| | (ii) Status of the Guarantee: | Senior |
| | (iii) Date of approval for issuance of Notes obtained: | Resolution of the Sole Shareholder: 11 January 2013

Resolution of the Joint Administrators: 11 January 2013

Deed of public issuance: 17 January 2013 |
| 14. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate of Interest: | 3.875 per cent. per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | 25 January in each year, from and including the Issue Date to but excluding the Maturity Date |

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| (iii) | Fixed Coupon Amounts: | EUR 3,875 per Calculation Amount |
| (iv) | Broken Amount(s): | Not Applicable |
| (v) | Day Count Fraction: | Actual/Actual (ICMA) |
| (vi) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |
16. **Floating Rate Note Provisions** Not Applicable
17. **Index-Linked Interest Note/other variable-linked interest Note Provisions** Not Applicable
18. **Dual Currency Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

19. **Call Option** Not Applicable
20. **Put Option** Not Applicable
21. **Final Redemption Amount of each Note** EUR 100,000 per Calculation Amount
22. **Early Redemption Amount** Not Applicable
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. **Form of Notes:** **Bearer Notes:**
- Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note

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| 24. | New Global Note: | Yes |
| 25. | Additional Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable |
| 26. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 28. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 29. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 30. | Consolidation provisions: | The provisions in Condition 18 (<i>Further Issues</i>) |
| 31. | Temporary Commissioner | Jesús Álvarez Cobo |
| 32. | Other final terms: | Not Applicable |

DISTRIBUTION

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| 33. | (i) | If syndicated, names of Managers: | Barclays Bank PLC
CaixaBank, S.A.
ING Bank N.V.
Merrill Lynch International |
| | (ii) | Date of Subscription Agreement: | 17 January 2013 |
| | (iii) | Stabilising Manager(s) (if any): | Not Applicable |

- 34. If non-syndicated, name and address of Dealer: Not Applicable
- 35. Total commission and concession: Not Applicable
- 36. U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D
- 37. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Luxembourg Stock Exchange of the Notes described herein] pursuant to the EUR 2,500,000,000 Euro Medium Term Note Programme of Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal.

RESPONSIBILITY

The Issuer and the Guarantors accept responsibility for the information contained in these Final Terms.

Signed on behalf of Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal:

By:
Duly authorised  JERÓNIMO GARCÍA LEGAZ

Signed on behalf of the Red Eléctrica Corporación, Sociedad Anónima:

By:
Duly authorised  JUAN LASALA BERNAD

Signed on behalf of the Red Eléctrica de España, Sociedad Anónima Unipersonal:

By:
Duly authorised  TERESA QUIRÓS ÁLVAREZ

PART B – OTHER INFORMATION

1. LISTING

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| (i) | Listing | Listing on the Official List of the Luxembourg Stock Exchange |
| (ii) | Admission to trading | Application is has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from 25 January 2013 |

2. RATINGS

Ratings: The Notes to be issued have been rated:

S & P: BBB

Moody's: Baa2

Each of Standard & Poor's Credit Market Services Europe Limited ("S&P") and Moody's Investors Service España, S.A. ("Moody's") is established in the European Union and is listed as being registered under Regulation (EU) No. 1060/2009 on the website of the European Securities and Markets Authority

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

5. YIELD

Indication of yield: 3.894 per cent. per annum

Calculated as on the Issue Date

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is

not an indication of future yield

6. **HISTORIC INTEREST RATES**

Not Applicable

7. **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE,
EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND
ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE
UNDERLYING**

Not Applicable

8. **PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF
EFFECT ON VALUE OF INVESTMENT**

Not Applicable

9. **OPERATIONAL INFORMATION**

ISIN Code: XS0876289652

Common Code: 087628965

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of initial Paying Agent(s): Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility:

Yes

Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.